

## **Department of Administration**

**Title: Telecommuting Insurance**

**Policy #: 7.05**

**Effective Date: September 1, 1997**

**Approved: Brett E. Dahl**

### **I. Purpose**

To clarify insurance coverage provided under telecommuting agreements approved by state agencies. This policy only applies to insurance programs administered by the Risk Management & Tort Defense Division, and excludes workers' compensation, health, benefits, or other insurance administered by other agencies under state or federal law.

### **II. Definitions**

Telecommuting is an alternative work arrangement whereby a state employee is allowed to work from home or at an alternative site approved by a state agency other than the agency's principal location.

### **III. Primary Insurance Coverage**

State employee's homeowner insurance coverage is primary, where applicable. The state's coverage is excess of the employee's homeowner insurance subject to a \$1,000 deductible to be paid by the each agency.

### **IV. Excess Insurance Coverage**

The Risk Management & Tort Defense Division (RMTD) agrees to cover direct loss or physical damage to property owned by the state that is in the care, custody, and control of a state employee telecommuter provided that he/she is an authorized employee of the state as defined in §2-9-101, MCA, subject to a \$1,000 deductible.

The first \$1,000 of any loss is excess of the business use limit on the employee's homeowner's policy and shall be the responsibility of the state agency. Any loss that is not covered by the homeowner's policy or that is excess of the homeowner's policy and the agency deductible will be paid by RMTD subject to the terms, and conditions of the state's commercial insurance policy.

### **V. Coverage Exclusions**

- A. The division will not pay for mysterious disappearances.
- B. The division will not pay damages that were within the ability of the state employee to prevent, but were not prevented. Examples

include, but are not limited to, failure to protect state equipment from intentional damage inflicted by residents of the home, failure to protect the property from additional damage caused by a covered peril (i.e. flood) after the loss occurred.

- C. The division may not pay for claims for damages where adequate security for the property was not provided (i.e. leaving the home unlocked, leaving valuable state property in an open vehicle, etc.).

## **VI. Property Covered**

Computers, software, furniture, office supplies and most other state property held by the state employee or in the employee's care, custody or control subject to the terms and conditions of the state's commercial insurance. See RMTD's website for more comprehensive information about property covered or contact RMTD.

## **VII. Property Excluded**

Currency, deeds, securities, objects of fine art, bullion, precious metals, jewelry, watches, silverware, furs, credit cards, and other property subject to the terms and conditions of the state's commercial insurance policy. See RMTD's website for more comprehensive information about property excluded or contact RMTD.

## **VIII. State Employee Responsibilities**

- A. State employees must take reasonable and precautionary steps to protect state property from being stolen.
- B. State employees must take reasonable and precautionary steps to limit damages to state property once a loss has occurred. Example: After a flood loss, the state employee should move the state's equipment to higher ground, or if it has been damaged already, move it to a dry area.
- C. State employees must promptly report the claim to their agency and to their insurance carrier.
- D. If the claim is denied by the employee's homeowner's insurance and the loss exceeds \$1,000, the employee may then file a claim with RMTD. The employee and his/her supervisor must complete the Report of Incident.

## **IX. State Agency Responsibilities**

- A. Maintain an inventory of all equipment on loan to the state employee telecommuter and make sure that it is returned upon termination of the agreement.
- B. Report all state property by location to RMTD in accordance with the instructions found on the division's website under 'insurance,' property/casualty insurance information system. Contact RMTD insurance staff with questions.
- C. Follow the claims procedures found on RMTD's website or contact RMTD claims staff.

## **X. Rules Governing**

None

## **XI. Statutes Governing**

§2-9-201, MCA  
§2-9-203, MCA

## **XII. Forms Governing**

Report of Incident

## **XIII. Administrative Use**

<b>History Log</b>	
Approved Date:	September 1, 2000
Effective Date:	September 1, 2000
Change and Review Contact:	<u>Brett Dahl</u>
Review:	Event Review: Any event affecting this policy may initiate a review. Such events may include a change in statute, key staff changes or a request for review or change.
Scheduled Review Date:	Five years from Effective Date
Last Review/Revision:	February 27, 2007
Changes:	



STATE OF MONTANA  
RISK MANAGEMENT & TORT DEFENSE  
DEPARTMENT OF ADMINISTRATION  
PO BOX 200124 - HELENA, MT 59620-0124  
(406) 444-2421 FAX (406) 444-2592

REPORT OF INCIDENT

COMPLETE ONLY THE SECTION THAT APPLIES TO YOUR LOSS

VEHICLE ( ) PERSONAL INJURY ( ) PROPERTY DAMAGE / OR LOSS ( )

Reporting Person:	Job Title:		
Department:	Division:	Phone:	
Date/Time of Incident:	Location of Incident:		

VEHICLE LOSS

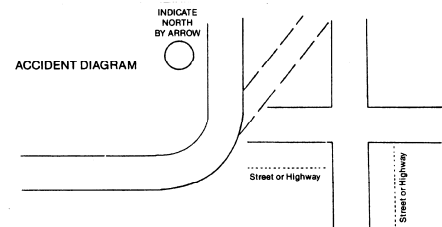
ACCIDENT INFORMATION

Were Police Notified? Yes ( ) No ( )		Police Department Name:
Investigating Officer's Name:		Investigation Officers Phone Number
Were Citations Issued? No ( ) Yes ( ) STATE Vehicle Driver ( ) OTHER Vehicle Driver ( )		
Weather Conditions: Clear? ( ) Rain? ( ) Snow? ( ) Other? ( ) Describe		
Roadway Conditions: Dry? ( ) Wet? ( ) Icy? ( ) Snow packed? ( ) Other? ( ) Describe		
Light Conditions: Daylight? ( ) Darkness? ( ) Dusk? ( ) Dawn? ( ) Other? ( ) Describe		
Vehicle Speed: STATE Vehicle? OTHER Vehicle?		
License No. _____ Est. Repair _____	Attachment No. _____ Est. Repair _____	Attachment No. _____ Est. Repair _____

Describe Accident/Incident in detail:

Accident Diagram

INDICATE  
NORTH  
BY ARROW



(use blank paper for additional information)

Signature of Driver:	Date:
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STATE VEHICLE INFORMATION

Department Owning Vehicle:	Phone No.	
Driver's Name:	Phone No.	
For What Purpose was the Vehicle Being Used?		
Plate No.	VIN No.	Make/Model/Year:

Location Where Vehicle May Be Seen (Address)?					Equip. No.			
OTHER VEHICLE INFORMATION								
Plate No./State:		VIN No.:		Make/Model/Year:				
Owner Name:								
Address:					Phone No.:			
Driver's Name:								
Address:					Phone No.:			
Insurance Co.:		Policy No.:		Phone No.:				
OCCUPANTS								
Name:		Address:		Age	State Veh.	Other Veh.	Injured Y - N	Describe Injury
WITNESSES								
Name:		Address:			Phone:			
PERSONAL INJURY								
Name of Injured:		Address:			Phone:			
Nature of Injury:								
Describe clearly how accident/injury occurred:								
(use blank paper for additional information)								
PROPERTY DAMAGE / OR LOSS								
State Property ( ) Other ( )								
Describe clearly how property damage occurred:								
(use blank paper for additional information)								
Property Description (Give make, model, serial number when applicable)								
(use blank paper for additional information)								
Date		Reporting Person's Signature:						
Date		Supervisor's Signature:						
Date		Department Official's Signature:						